

of study, which is done at the request of the Food Marketing Commission and the Office of Economic Opportunity, naturally goes along the lines that they want investigated.

Mr. ROSENTHAL. As to food?

Mr. ROSS. The particular questions or issues that were looked into were the ones that they asked us to look into.

Mr. REUSS. That is right. This is somewhat of a new wrinkle, the relationship between the welfare check payment and the squibblings on the graphs of food prices. You heard the testimony of the three ladies from the District of Columbia this morning?

Mr. ROSS. Yes.

Mr. REUSS. I would ask you this question: Based on your expert knowledge of what I believe you called methodology, how you go about price sampling, would you agree with me that the ladies seemed to have done a pretty workmanlike job, assuming that they are telling the truth?

Mr. ROSS. Well, I did not hear their testimony, actually, Mr. Reuss. I came in during the questioning. I am really kind of reluctant to comment on it. You have, apparently, an issue of a flat contradiction between the company and these ladies, and I really think that it would be better for you to investigate what actually happened, than to get what would have to be a very offhand comment from me.

Mr. REUSS. You say that you came in during the lady's testimony?

Mr. ROSS. No, during the questioning.

Mr. REUSS. You did not even hear the testimony, then. I will, of course, not ask you about it, then. You were here, of course, for the testimony of the legal gentleman from the Safeway Stores?

Mr. ROSS. Yes.

Mr. REUSS. Let me ask you this, based upon knowledge of how it operates, if a large national chain were in the business of systematically discriminating against low-income people by jacking up the prices of food on welfare check day, you would not expect them to memorialize it and to incorporate that in their books and records, would you?

Mr. ROSS. Well, I think——

Mr. REUSS. As a matter of commonsense?

Mr. ROSS. I think that the question answers itself, Mr. Reuss.

Mr. REUSS. I will ask you just one more question. In a welfare area, in a supermarket, the amounts paid by their customers is simply added up on the adding machine without any particular reference on the tape as to what it is for?

Mr. ROSS. I think that is the case.

Mr. REUSS. Therefore, a branch manager anxious to maximize profits in his particular store, can, by overcharging on particular items, look better than if he did not overcharge, and since the only evidence of a particular sale is the adding machine tape, which does not relate to the item, the charge for the goods sold, there is an opportunity for such gouging, is there not?

Mr. ROSS. Well, I think that it is certainly conceivable; yes. I want to make that reply without any inference that I am commenting at all on the problem.

Mr. REUSS. I realize that that is clearly hypothetical.

Mr. ROSS. Because if counsel for Safeway does not have direct